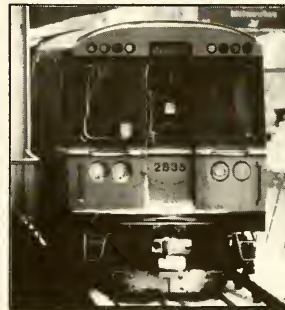




QUARTERLY REPORT

*Budget and Financial Review of the
Regional Transportation Authority
and its Operating Divisions*



TRANSPORTATION

OCT 1989

NORTHERN VIRGINIA

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September 1989

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1990 Budget Process

The 1990 budget process is proceeding on schedule. All major technical issues have been resolved and Finance Subcommittee meetings have been held with each of the Service Boards. In the past week the Finance Committee heard public presentations from each Service Board on their proposed budget and financial plan.

Thus far the revised budget process appears to be working well in terms of focusing attention on major policy choices, both at the Service Boards and at the RTA.

Fact Book

The 1990 Budget Briefing Book prepared by staff includes an updated RTA Fact Book. The Fact Book includes summary demographic, financial and operating data on the RTA and each Service Board. The Fact Book was initially developed as supplementary information for the Board during the 1989 budget process. However, the report proved to be very useful as a primer on the RTA and now serves a variety of other uses. The Fact Book has been condensed compared to last year's version and includes a discussion of the new capital program approved by the legislature in June.

System Performance Review

The Briefing Book also includes a report on RTA system performance through 1988. The report summarizes the performance of the RTA as a region and focuses on each of the four major components of the system: Metra, Pace, CTA Rail and CTA Bus. Peer and trend analysis of key performance indicators are used to evaluate the system components. The major conclusion of the report is that the system in general is performing very well but that the CTA Bus system faces a declining productivity trend due to market factors that are difficult to reverse. The report provides a strategic perspective on the RTA system and was reviewed by the Finance Committee as background for the 1990 budget process.

Regional Plan for Transportation of the Disabled

A "Policy Discussion Paper" outlining the recommended policies for the development of a Regional Plan for Transportation of the Disabled was presented to a joint meeting of the Finance, Planning and Mobility Limited Committees of the RTA in August. At this meeting the three Service Boards and a representative of the disabled community presented their views on the proposed policies. The reaction was favorable from CTA, Pace and the disabled community. Metra requested a two month period to review the policies and their impact on their capital and operating programs. The Committees granted Metra this extension, and the RTA Board will review these policies for approval at their November meeting.

UMTA Section 15 Reporting

RTA staff is working with CTA and UMTA to resolve issues relating to CTA's submission of Section 15 data. UMTA has raised questions on some of the data submitted by CTA in the past. Although no decisions have been made by UMTA, they have been receptive to the information recently provided to them by CTA and RTA. RTA staff, therefore, anticipates no problems with the allocation of Section 9 operating funds for 1990. This allocation is based on Section 15 data.

RTA SYSTEM RIDERSHIP

June Ridership

- RTA ridership through June 1989 was down 1.7% when compared to the same period in 1988.

- Year-to-date performance at CTA was down 2.4%. Average weekday riders in June were down 0.9% when compared to June 1988.

- Metra System ridership increased 2.1% through June 1989. Average weekday riders in June increased 4.3%.

- Pace ridership through June 1989 was 2.6% greater than the same period in 1988. June average weekday ridership was up 3.7%.

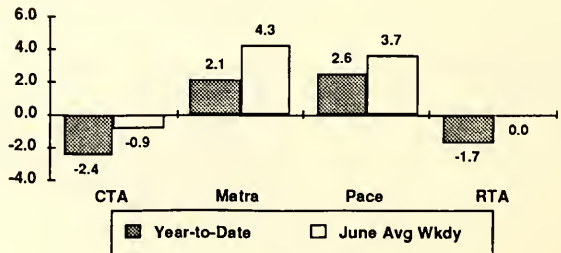
JUNE RIDERSHIP YEAR-TO-DATE (in thousands)

CTA	1988	1989	% Change
			1988-1989
Bus	217,595	211,207	-2.9%
Paratransit	445	456	2.4%
Rail	74,458	73,680	-1.0%
Total	292,498	285,342	-2.4%

Metra	1988	1989	% Change
			1988-1989
BN	6,419	6,543	1.9%
CNW	11,373	11,568	1.7%
CSSSB	1,681	1,659	-1.3%
ME/HC	6,158	6,312	2.5%
MR	4,554	4,675	2.7%
RI	3,895	3,987	2.3%
NS	743	827	11.3%
Total	34,824	35,571	2.1%

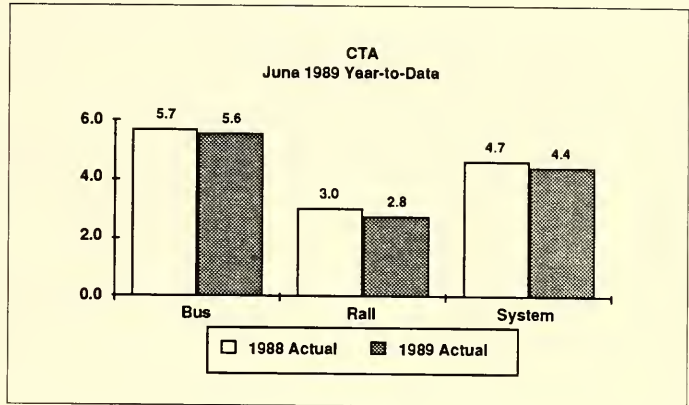
Pace	1988	1989	% Change
			1988-1989
Pace Owned	9,003	9,587	6.5%
Public Contract	7,405	7,182	-3.0%
Private Contract	1,369	1,488	8.7%
Dial-A-Ride	614	608	-0.9%
Mobility Limited	14	16	19.6%
Total	18,405	18,881	2.6%

RTA % Change in Ridership by Service Board
Year-to-Date and June Average Weekday
1988 vs. 1989

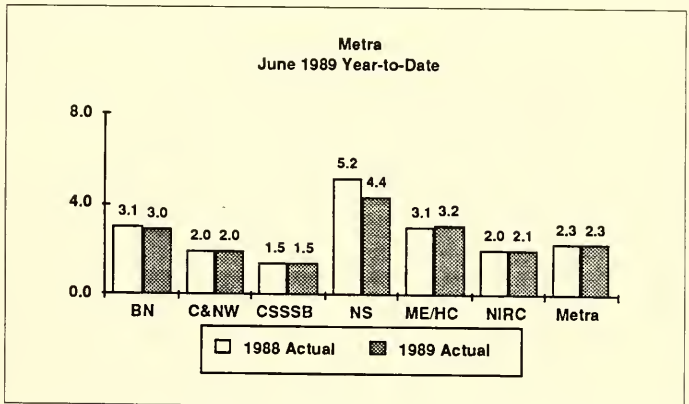


Passenger Per Mile

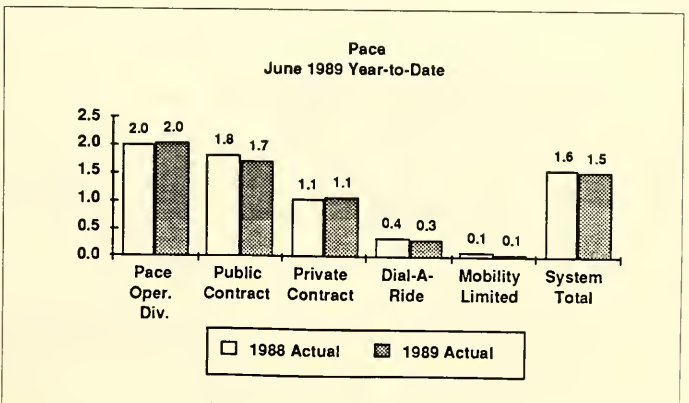
- CTA system passengers per mile through June were down 4.9% compared to the same period in 1988.
- Bus passengers per mile decreased 2.5% due to a drop in ridership.
- Rail passengers per mile decreased 8.3% due to a reported increase in rail mileage.



- The change in Metra's passengers per mile for the first six months of 1989 compared with the same period in 1988 is negligible.
- Passengers per mile remained relatively unchanged because the 2.2% increase in passengers was largely offset by a 1.6% increase in mileage. The largest increase in mileage occurred at the Burlington Northern where total mileage increased slightly more than 6%.



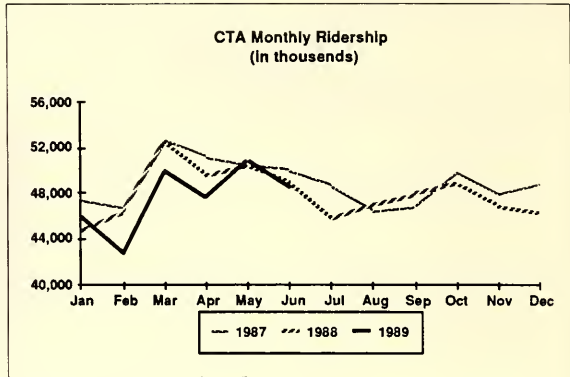
- Passengers per mile remained fairly stable, decreasing only 1.8% for the first six months of 1989 compared with the same period in 1988. Systemwide ridership increased by 2.4% but was offset by a 4.3% increase in mileage.
- Passengers per mile for Pace Owned and Private Contract carriers remained fairly unchanged while Public Contract carriers experienced a decrease. Dial-A-Ride and Mobility Limited experienced passenger per mile decreases.



RTA SYSTEM RIDERSHIP

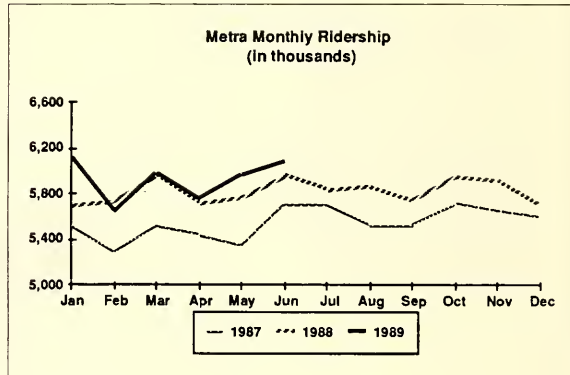
CTA

	1987	1988	1989	%chg 88-89
Jan	47,351	44,746	45,927	2.6%
Feb	46,576	46,412	42,729	-7.9%
Mar	52,670	52,523	50,016	-4.8%
Apr	51,161	49,530	47,585	-3.9%
May	50,377	50,393	50,905	1.0%
Jun	49,892	48,894	48,510	-0.8%
Jul	48,549	45,711		
Aug	46,376	47,026		
Sep	46,835	47,909		
Oct	49,779	48,831		
Nov	47,890	46,798		
Dec	48,872	46,154		
Total	586,329	574,926		



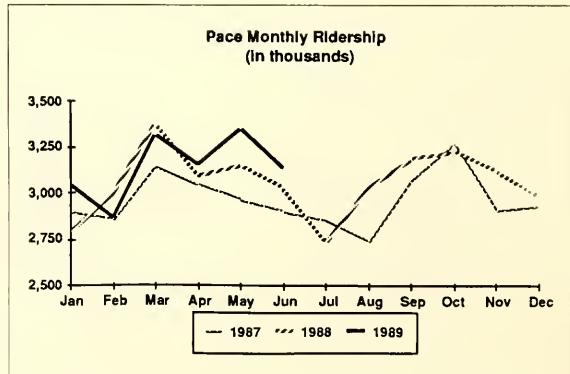
Metra

	1987	1988	1989	%chg 88-89
Jan	5,515	5,687	6,115	7.5%
Feb	5,289	5,732	5,640	-1.6%
Mar	5,513	5,961	5,990	0.5%
Apr	5,436	5,715	5,761	0.8%
May	5,347	5,767	5,965	3.4%
Jun	5,710	5,963	6,098	2.3%
Jul	5,701	5,835		
Aug	5,515	5,873		
Sep	5,531	5,753		
Oct	5,715	5,957		
Nov	5,647	5,913		
Dec	5,586	5,693		
Total	66,505	69,847		



Pace

	1987	1988	1989	%chg 88-89
Jan	2,894	2,792	3,044	9.0%
Feb	2,857	2,998	2,873	-4.2%
Mar	3,144	3,373	3,322	-1.5%
Apr	3,041	3,089	3,153	2.1%
May	2,959	3,147	3,352	6.5%
Jun	2,902	3,023	3,137	3.8%
Jul	2,851	2,739		
Aug	2,740	3,033		
Sep	3,071	3,186		
Oct	3,267	3,227		
Nov	2,907	3,111		
Dec	2,936	2,982		
Total	35,569	36,701		



RTA FINANCIAL POSITION

RTA System Budget

The six month financial performance of the RTA, taken as a whole, may be viewed as being favorable. RTA regional revenues were \$5.0 million or 1.9% favorable to budget while expenses were \$3.6 million or 0.7% favorable to budget. The regional deficit was \$8.6 million or 3.1% favorable to budget which represents a substantial improvement from the region's position at the end of the first quarter when the deficit was only \$1.2 million or 0.8% favorable. The regional recovery ratio for the first half of the year was 51.8% versus the budgeted recovery ratio for this period of 50.5%.

On the service board level, Metra and Pace report favorable results in all areas. CTA expenses are now virtually on target with budget in contrast to the first quarter when CTA expenses were \$3.3 million or 2.0% unfavorable to budget. CTA's revenue performance remains a concern as their revenues for the first half of the year are \$1.9 million or 1.1% unfavorable to budget. As a result of this unfavorable revenue performance, CTA's deficit and their recovery ratio are both unfavorable to budget. CTA's deficit was \$1.7 or 1.1% unfavorable to budget, while their recovery ratio was 50.4% compared to their budgeted recovery ratio of 51.0%.

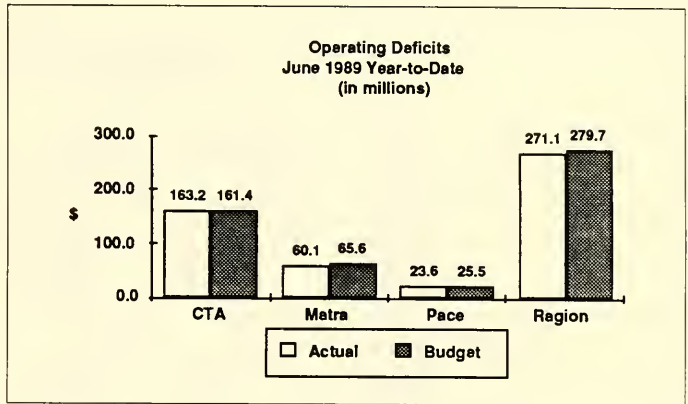
Sales Tax

For the first two months of 1989, sales tax performance was unfavorable to budget. In the next three months, however, the performance was favorable. As a result, the regional sales tax through May was \$1.2 million or 0.7% favorable to budget. For the month of May alone, the sales tax was \$1.4 million or 3.7% favorable to budget.

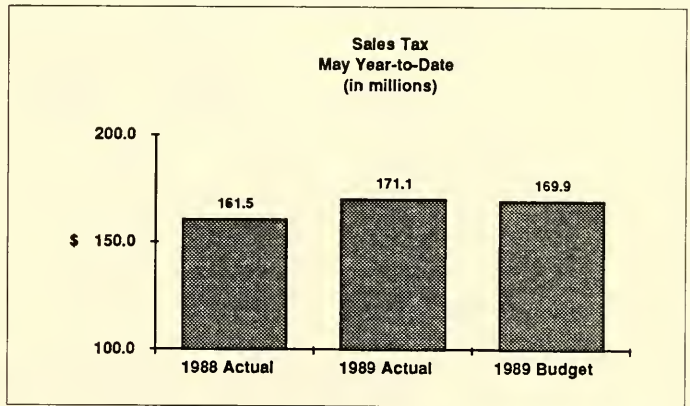
RTA Administrative Budget

For the first half of 1989, RTA administrative expenses were \$0.6 million or 20.8% favorable to budget. All administrative expense categories were favorable to budget except for space rents which was 4.4% unfavorable. This unfavorable variance is due to the timing of payments and will disappear by year's end. The largest favorable variances were in Professional Services and Salaries & Wages. RTA non-administrative expenses were \$0.3 million or 1.1% favorable to budget. Non-administrative expenses are primarily comprised of debt service payments which were on target with budget for the first six months. Total RTA Agency expenses, which do not include grants to the service boards, were \$1.0 million or 3.1% favorable to budget.

Operating Deficit



Sales Tax



RTA FINANCIAL POSITION

Report Summary June 1989 Year-to-Date (In thousands)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
I. Service Boards:				
<u>CTA</u>				
Revenues	\$165,898	\$167,771	(\$1,872)	-1.1%
Expenses	329,075	329,200	(125)	0.0%
Operating Deficit	\$163,176	\$161,429	\$1,747	1.1%
Recovery Ratio(a)	50.4%	51.0%	-0.5	-1.1%
<u>Metra</u>				
Revenues(b)	\$79,843	\$75,943	\$3,899	5.1%
Expenses	139,918	141,569	(1,651)	-1.2%
Operating Deficit	\$60,076	\$65,626	(\$5,550)	-8.5%
Recovery Ratio(a)	57.6%	54.1%	3.5	6.5%
<u>Pace</u>				
Revenues	\$11,772	\$10,808	\$964	8.9%
Expenses	35,403	36,273	(870)	-2.4%
Operating Deficit	\$23,631	\$25,466	(\$1,834)	-7.2%
Recovery Ratio(a)	33.3%	29.8%	3.5	11.6%
II. Regional				
RTA Expense Items	31,153	32,133	(980)	-3.1%
RTA Interest Revenues	6,983	- 5,000	1,983	39.7%
Total Revenues	\$264,496	\$259,522	\$4,974	1.9%
Total Expenditures	\$535,549	\$539,175	(\$3,627)	-0.7%
Regional Deficit(c)	\$271,053	\$279,654	(\$8,601)	-3.1%
Recovery Ratio (d)	51.8%	50.5%	1.3	2.6%

(a) For recovery ratio calculations, expenses exclude funded depreciation.

(b) Does not include revenue from capital farebox financing

(c) Includes Service Board deficits plus RTA expenses minus RTA interest revenues

(d) Excludes debt service and funded depreciation

**Regional Transportation Authority Budget Variance
June 1989 Year-to-Date**

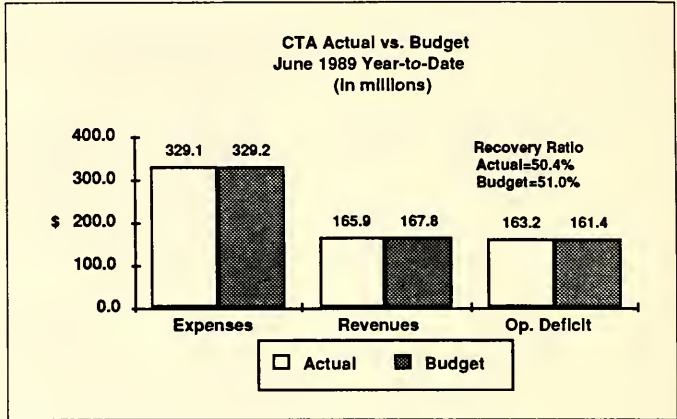
	Actual	Budget	Variance	%
Regional Revenues				
Retail Sales Tax	\$207,927,823	\$207,370,000	\$557,823	0.3%
Public Transportation Fund	52,687,654	52,815,000	(127,346)	-0.2%
UMTA Grants	49,602,014	49,602,000	0	0.0%
Interest Income	6,983,456	4,999,998	1,983,458	39.7%
Other Grants & Reimbursement	<u>351,454</u>	<u>33,000</u>	<u>318,454</u>	
Grand Total RTA Revenue	317,552,401	314,819,998	2,732,389	0.9%
Regional Expenses				
Operating Grants to Divisions	274,939,916	274,655,309	284,607	0.1%
Capital Grants	11,199,818	32,502,504	(21,302,686)	-65.5%
RTA Expense	4,521,474	5,501,863	(980,389)	-17.8%
Debt-Related & Self Insurance	<u>26,631,434</u>	<u>26,631,434</u>	<u>0</u>	0.0%
Total Regional Expense	317,292,642	339,291,110	(21,998,468)	-6.5%

**Regional Transportation Authority
Agency Expenses
June 1989 Year-to-Date**

	Actual	Budget	Variance	%
Administration Expense				
Salaries & Wages	1,503,674	1,693,788	(190,114)	-11.2%
Benefits	451,882	492,502	(40,620)	-8.2%
Business Expenses	56,117	68,555	(12,438)	-18.1%
Professional Services	198,520	423,406	(224,886)	-53.1%
Purchased Services	79,132	148,988	(69,856)	-46.9%
Office Supplies & Equipment	64,277	79,984	(15,707)	-19.6%
Telephone & Utilities	46,326	54,030	(7,704)	-14.3%
Space Rents	214,224	205,266	8,958	4.4%
Miscellaneous	<u>52,153</u>	<u>73,685</u>	<u>(21,532)</u>	-29.2%
Total Administrative Expense	2,666,305	3,240,204	(573,899)	-17.7%
Less Regional Exclusion	<u>-484,500</u>	<u>-484,500</u>	<u>0</u>	0.0%
Net Administrative Expense	2,181,805	2,755,704	(573,899)	-20.8%
Non-Administration				
Travel Information Center	1,283,279	1,275,451	7,828	0.6%
Marketing & Fare Demonstrations	1,259	16,666	(15,407)	-92.4%
Other Region-Wide Programs	514,864	841,542	(326,678)	-38.8%
Regional Exclusion	484,500	484,500	0	0.0%
Contribution to Self Ins. Reserve	2,500,000	2,500,000	0	0.0%
Debt Service				
Repayment of Principal	22,020,455	22,020,455	0	0.0%
Interest Expense	<u>2,110,979</u>	<u>2,110,979</u>	<u>0</u>	0.0%
Total-Non Administration	28,915,336	29,249,593	(334,257)	-1.1%
Capital				
RTA	55,767	78,000	(22,233)	-28.5%
Travel Information Center	<u>0</u>	<u>50,000</u>		
Total Capital	55,767	128,000	(72,233)	-56.4%
Total RTA Expenses	\$31,152,908	\$32,133,297	(\$980,389)	-3.1%
	=====	=====	=====	

CTA SYSTEM PERFORMANCE

Budget Review



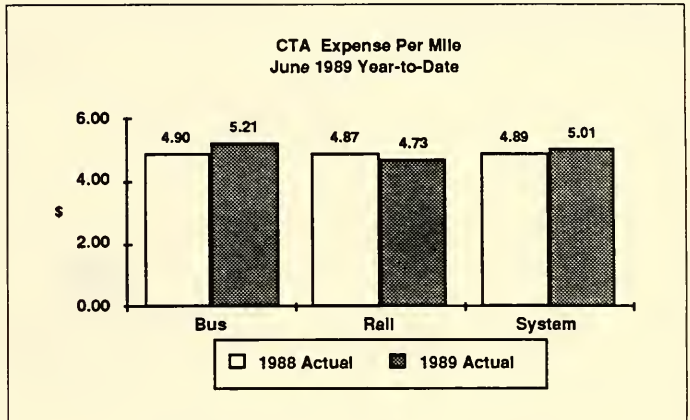
- *CTA operating expenses through June were favorable to budget by \$0.1 million.*
- *CTA total revenues were unfavorable to budget by \$1.9 million or 1.1% through June.*
- *The CTA operating deficit was \$1.7 million or 1.1% unfavorable to budget.*
- *The recovery ratio through June was 50.4% compared to the budgeted recovery ratio of 51.0%.*

The Operations program area through June 1989 was essentially on budget. Maintenance expenses through June were \$1.1 million, or 0.8% unfavorable. The unfavorable variance in maintenance expenses occurred earlier this year. Administrative expenses were \$3.1 million or 7.5% favorable to budget. Fuel expenses were unfavorable due to increasing fuel prices.

This deficit variance represents a reduction of \$2.3 million from May's year-to-date figure due to a favorable variance in operating expenses for the month of June.

Farebox revenues were unfavorable to budget by \$2.4 million or 1.5%. Other revenues through June were favorable to budget by \$0.5 million or 9.2%.

Resource Efficiency

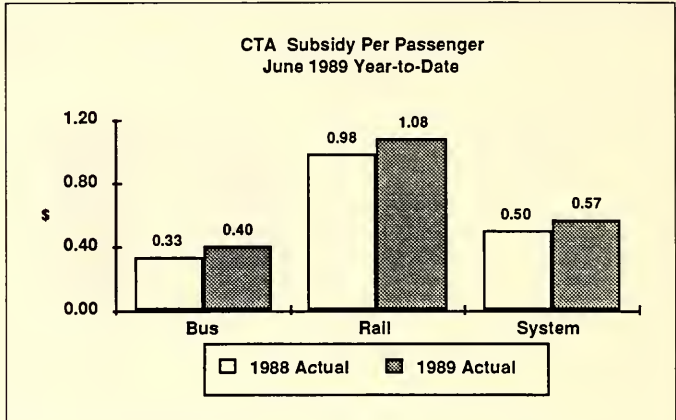


- **Expense per mile for the system increased 2.5% compared to 1988.**
- **Bus expense per mile increased 6.3%.**
- **Rail expense per mile decreased 2.9%.**

Through June 1989, CTA's expense per mile was up 2.5% when compared to expense per mile through the first half of 1988. The expense per mile increase for the system is due, in part, to unfavorable bus maintenance expenses. Bus expense per mile increased 6.3% from the same period last year. Rail expense per mile decreased 2.9%. The decline in rail expense per mile is primarily due to an increase in reported rail mileage through June 1989.

Resource Effectiveness

- *System subsidy per passenger increased significantly through June 1989 when compared to the same period in the prior year.*
- *Bus subsidy per passenger increased 21.2%.*
- *Rail subsidy per passenger increased 10.2%.*



CTA's system subsidy per passenger through June was greater than the 1988 actual results by 14.0%. Bus subsidy per passenger was 21.2% higher than the same period last year due to a decrease in passengers and an increase in bus maintenance and operations expenses. Rail subsidy per passenger was greater than during the same period last year by 10.2%.

CTA SYSTEM PERFORMANCE

Chicago Transit Authority June 1989 Year-to-Date

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Revenues				
Passenger	\$159,581,761	\$161,987,389	(\$2,405,628)	-1.5%
Other	6,316,611	5,783,344	533,267	9.2%
Total Revenues	<u>\$165,898,372</u>	<u>\$167,770,733</u>	<u>(\$1,872,361)</u>	<u>-1.1%</u>
Expenses				
Labor	\$246,718,220	\$245,199,059	\$1,519,161	0.6%
Materials	28,236,587	27,568,164	668,423	2.4%
Fuel	7,046,645	5,922,788	1,123,857	19.0%
Electric Power	11,178,805	11,355,156	(176,352)	-1.6%
Provision for I & D	8,757,615	8,757,615	0	0.0%
All Other Expenses	27,136,753	30,396,804	(3,260,051)	-10.7%
Total Expenses	<u>\$329,074,625</u>	<u>\$329,199,586</u>	<u>(\$124,962)</u>	<u>0.0%</u>
Deficit	\$163,176,253	\$161,428,853	\$1,747,400	1.1%
Recovery Ratio	50.4%	51.0%	-0.5	-1.1%

Chicago Transit Authority Departmental
June 1989 Year-to-Date
Actual vs. Budget (1)

	Actual	Budget	Variance	%
System-Generated Revenues				
Passenger	\$160,463,430	\$162,757,216	(\$2,293,786)	-1.4%
Other	6,351,508	5,940,428	411,080	6.9%
Total	\$166,814,938	\$168,697,644	(\$1,882,706)	-1.1%
Operating Expenses				
Transportation:				
Dep Ex Dir and Quality Control	\$500,704	\$393,020	\$107,684	27.4%
Operations:				
Scheduled Transp Personnel				
Bus	\$90,092,139	\$89,887,417	\$204,722	0.2%
Rail	37,404,997	36,975,280	429,717	1.2%
Sub-total	\$127,497,136	\$126,862,697	\$634,439	0.5%
Special Services	\$6,621,745	\$6,511,410	\$110,335	1.7%
Operations Support:				
Bus	\$11,655,118	\$11,986,294	(\$331,176)	-2.8%
Rail	6,669,239	6,540,728	128,511	2.0%
Other	5,530,908	6,059,229	(528,321)	-8.7%
Sub-total	\$23,855,265	\$24,586,251	(\$730,986)	-3.0%
Total Operations	\$157,974,146	\$157,960,358	\$13,788	0.0%
Maintenance:				
Bus	\$56,001,294	\$55,338,538	\$662,756	1.2%
Rail	56,431,451	58,495,906	(2,064,455)	-3.5%
Facilities	22,529,737	21,736,274	793,463	3.7%
Engineering & Support	4,113,614	5,098,871	(985,257)	-19.3%
Other	-2,001,927	-2,520,000	518,073	-20.6%
Total Maintenance	\$137,074,169	\$138,149,589	(\$1,075,420)	-0.8%
Total Transportation	\$295,549,019	\$296,502,967	(\$953,948)	-0.3%
Administration Sector				
Administration	21,893,151	23,844,814	(\$1,951,663)	-8.2%
Human Resources Division	2,725,595	2,906,325	(180,730)	-6.2%
Budget/MIS Dept.	4,006,880	4,975,274	(968,914)	-19.5%
General Attorney	3,969,756	4,331,355	(361,599)	-8.3%
Police Liaison	3,996,936	3,820,363	176,573	4.6%
Executive Dir./Bd. Support Depts.	1,588,526	1,384,290	204,236	14.8%
Total Administration	\$38,180,844	\$41,262,941	(\$3,082,097)	-7.5%
Other	(\$2,837,143)	(\$6,747,527)	3,910,384	-58.0%
Total CTA	\$330,892,720	\$331,018,381	(\$125,661)	0.0%
Deficit Performance	\$164,077,782	\$162,320,737	\$1,757,045	1.1%

(1) Budget and Actuals are based on CTA Fiscal Year

CTA SYSTEM PERFORMANCE

Chicago Transit Authority Departmental June 1989 Year-to-Date Actual vs. Budget(1)

	Actual	Budget	Variance	%
Transportation:				
Sr. Deputy Executive Director	\$124,916	\$0	\$124,916	100.0%
Sys Safety/Quality Control	375,788	393,020	(17,232)	-4.4%
Oper./Supervisory/Training/Admin Serv.	5,530,908	6,059,229	(528,321)	-8.7%
Maint: Management/Prog./Equip Eng.	4,113,614	5,098,871	(985,257)	-19.3%
Stores Reh & Warrt Claims	-2,001,927	-2,520,000	518,073	-20.6%
Total Non-Allocated Services	\$8,143,299	\$9,031,120	(\$887,821)	-9.8%
Bus Detail:				
Operations:				
Supervision & Support	\$11,655,118	\$11,986,294	(\$331,176)	-2.8%
Kedzie Garage	12,109,831	12,130,582	(\$20,751)	-0.2%
North Avenue Garage	6,610,566	6,313,843	296,723	4.7%
North Park Garage	12,282,004	12,612,179	(330,175)	-2.6%
Forest Glen Garage	12,714,549	12,427,737	286,812	2.3%
Limits Garage	5,174,587	5,367,207	(192,620)	-3.6%
Beverly Garage	8,958,303	8,935,124	23,179	0.3%
77th Street Garage	12,574,152	13,020,399	(446,247)	-3.4%
69th Street Garage	11,474,332	11,461,145	13,187	0.1%
Archer Garage	8,193,814	7,619,201	574,613	7.5%
Total Bus Operations	\$101,747,256	\$101,873,711	(\$126,455)	-0.1%
Bus Maintenance:				
Supervision & Support	\$15,499,754	\$15,163,304	\$336,450	2.2%
Bus Garages:				
South & North Managers	\$361,682	\$381,833	(\$20,151)	-5.3%
Beverly	3,024,856	2,784,349	\$240,507	8.6%
77th	3,369,912	3,245,396	124,516	3.8%
69th	3,593,697	3,672,823	(79,126)	-2.2%
Vincennes	5,418	0	5,418	#DIV/0!
Archer	3,159,742	3,352,193	(192,451)	-5.7%
Kedzie	2,879,716	2,700,164	179,552	6.6%
North Avenue	1,702,267	1,809,517	(107,250)	-5.9%
Limits	1,720,007	1,738,536	(18,529)	-1.1%
North Park	3,795,174	4,398,106	(602,932)	-13.7%
Forest Glen	3,008,277	3,054,229	(45,952)	-1.5%
Sub-total	\$26,620,748	\$27,137,146	(\$516,398)	-1.9%
Bus Shops	\$13,530,963	\$12,777,011	\$753,952	5.9%
Bus Quality	\$349,829	\$261,077	\$88,752	34.0%
Total Bus Maintenance	\$56,001,294	\$55,338,538	\$662,756	1.2%
Total Bus	\$157,748,550	\$157,212,249	\$536,301	0.3%
	=====	=====	=====	

(1) Budget and Actuals are based on CTA Fiscal Year

Chicago Transit Authority Departmental
June 1989 Year-to-Date
Actual vs. Budget(1)

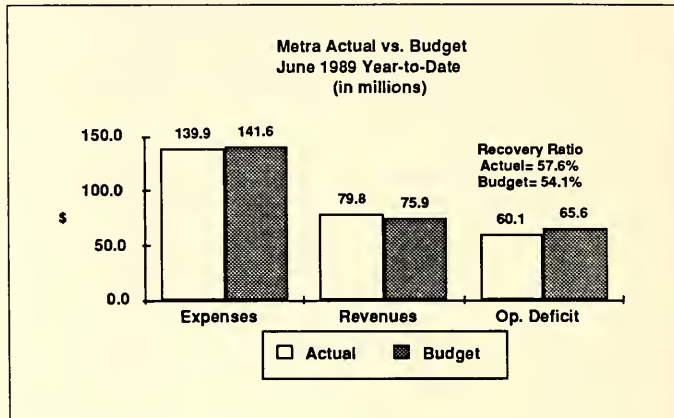
	Actual	Budget	Variance	%
Rail Detail:				
Operations:				
Supervision & Support	\$6,669,239	\$6,540,728	\$128,511	2.0%
O'Hare	4,141,721	3,909,371	232,350	5.9%
Howard-Kimball	7,545,581	7,760,653	(215,072)	-2.8%
Forest Park	2,946,190	3,010,423	(64,233)	-2.1%
Ashland/61st/95th	7,356,513	7,226,566	129,947	1.8%
Douglas/Congress	<u>3,490,016</u>	<u>3,351,960</u>	<u>138,056</u>	4.1%
Sub-total	\$32,149,260	\$31,799,701	\$349,559	
Agents	<u>\$11,924,975</u>	<u>\$11,716,307</u>	<u>\$208,668</u>	1.8%
Total Rail Operations	\$44,074,235	\$43,516,008	\$558,227	1.3%
Rail Maintenance:				
Management & Support	\$1,470,333	\$1,965,551	(\$495,218)	-25.2%
Rail Terminals:				
Management	\$876,359	\$857,643	\$18,716	2.2%
DesPlaines	1,866,357	1,549,196	317,161	20.5%
Rosemont	2,336,877	1,836,969	499,908	27.2%
54th	1,549,762	1,446,265	103,497	7.2%
98th	2,103,619	1,687,035	416,584	24.7%
Harlem	2,214,066	1,758,807	455,259	25.9%
Kimball	805,913	863,690	(57,777)	-6.7%
61st	1,468,549	1,152,007	316,542	27.5%
Racine	1,005,673	1,126,083	(120,410)	-10.7%
Wilson	2,658,457	2,177,958	480,499	22.1%
Howard	947,938	993,420	(45,482)	-4.6%
Linden	172,272	251,048	(78,776)	-31.4%
Rail Campaign	<u>1,306,721</u>	<u>1,473,085</u>	<u>(166,364)</u>	-11.3%
Sub-total	\$19,312,563	\$17,173,206	\$2,139,357	12.5%
Rail Shops	\$4,602,611	\$6,400,745	(\$1,798,134)	-28.1%
Rail Facilities:				
Power Way	\$26,464,491	\$28,194,131	(\$1,729,640)	-6.1%
Rail Janitor	<u>\$4,345,369</u>	<u>\$4,585,695</u>	<u>(240,326)</u>	-5.2%
Sub-total	\$30,809,860	\$32,779,826	(\$1,969,966)	-6.0%
Rail Quality	\$236,083	\$176,579	\$59,504	33.7%
Total Rail Maintenance	\$56,431,450	\$58,495,907	(\$2,064,457)	-3.5%
Total Rail	\$100,505,685	\$102,011,915	(\$1,506,230)	-1.5%
Other Facilities	\$22,529,737	\$21,736,274	\$793,463	3.7%
Special Services	<u>\$6,621,745</u>	<u>\$6,511,410</u>	<u>\$110,335</u>	1.7%
Total Transportation	\$295,549,016	\$296,502,968	(\$953,952)	-0.3%
	=====	=====	=====	

(1) Budget and Actuals are based on CTA Fiscal Year

METRA SYSTEM PERFORMANCE

Budget Review

- *Through June, Metra revenues were \$79.8 million, which is \$3.9 million favorable to budget.*
- *Metra's expenses through June were \$139.9 million, or 1.2%, favorable to budget.*
- *Metra's operating deficit through June was \$5.6 million, or 8.5% favorable to budget.*
- *Metra's recovery ratio through June was 57.6%, compared with the budgeted ratio of 54.1%.*
- *The Metra Electric/Heritage Corridor savings through June were \$4.6 million.*



Metra systemwide revenues through June of \$79.8 were \$3.9 million favorable to the budgeted revenues of \$75.9 million. All carriers, except Chicago & Northwestern, achieved higher than budget revenues. Other revenue, which is included in systemwide revenue, was \$8.2 million compared with the budgeted amount of \$4.9 million. The most significant components of other revenue are grant project credits, investment income and lease revenues.

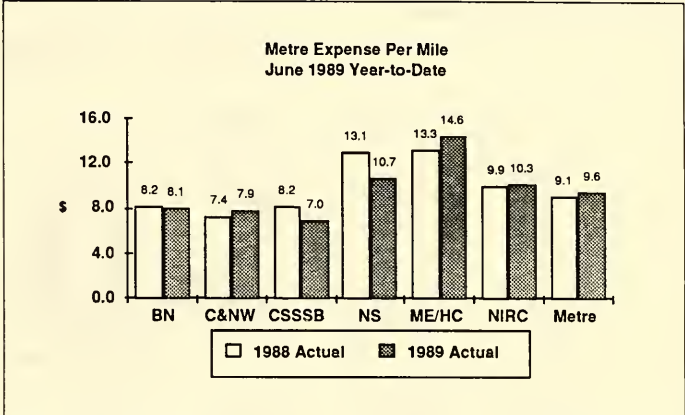
Expenses through June were \$139.9 million compared with the budgeted amount of \$141.6 million. They were \$1.7 million, or 1.2% favorable to budget. Expenses were favorable to budget for all carriers, except Chicago & Northwestern and NIRC.

Because of favorable revenue and expense performance, Metra's operating deficit through June was \$5.6 million or 8.5% favorable to budget. Metra's recovery ratio through June was 57.6% compared with the budgeted recovery ratio of 54.1%.

The Metra Electric/Heritage Corridor baseline savings through June, 1989 were \$4,554,310. Metra is required to save \$6.8 million per year and based on this first six months savings, Metra should be able to generate the required savings for 1989.

Resource Efficiency

- *Through June, Metra system expense per mile increased 4.8%, or 50 cents per mile relative to 1988.*
- *The Chicago & Northwestern, Metra Electric/Heritage Corridor and NIRC reported increases in expense per mile.*
- *The Burlington Northern, South Shore and Norfolk Southern reported decreases in expense per mile.*



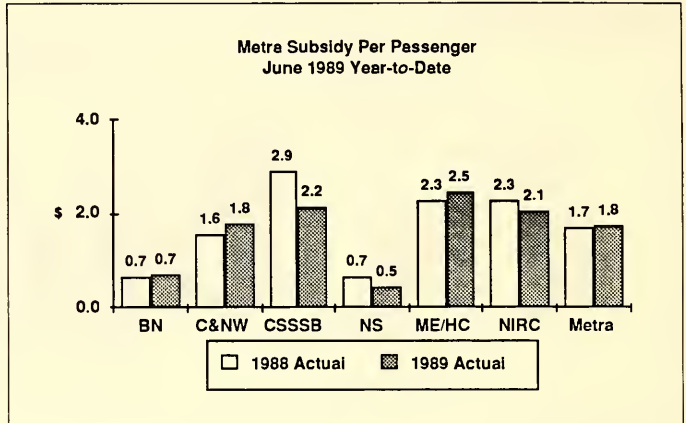
Metra's expense per mile through June 1989 was \$9.60 which represents an increase of 4.8% over the same period in 1988. This increase can be attributed to a more rapid rate of growth in expenses, 6.4%, compared to the growth in mileage, 1.6%.

The Burlington Northern, the South Shore and the Norfolk Southern reported decreases in expense per mile of 1.2%, 15.1% and 18.9%, respectively. These decreases, however, were more than offset by increases in expense per mile at the Chicago & Northwestern, Metra Electric and NIRC of 7.7%, 10.0% and 3.5%, respectively.

The decrease in expense per mile experienced by the Norfolk Southern was caused by a 31.7% increase in mileage while expenses increased 6.8%. The South Shore statistics can not be relied on too closely because they represent estimates for the first six months of the year. Increases in expense per mile at the Chicago & Northwestern and Metra Electric were caused by increases in operating expenses while mileage remained relatively flat.

METRA SYSTEM PERFORMANCE

Resource Effectiveness



- *The Metra system subsidy per passenger increased 10 cents, or 3.4% to \$1.80 for the first six months of 1989.*
- *Subsidy per passenger increased relative to 1988 for Chicago & Northwestern and the Metra Electric/Heritage Corridor.*
- *Subsidy per passenger decreased with Norfolk Southern, South Shore and NIRC.*

For the period ended June 1989, Metra's subsidy per passenger was \$1.80 compared to \$1.70 for the same period in 1988, an increase of 3.4%. This increase occurred because through June 1989 the operating deficit grew by 5.7% while ridership grew only 2.2% when compared to the same period in 1988.

At the carrier level, the Chicago & Northwestern deficit grew more than 18% and the Metra Electric/Heritage Corridor deficit grew more than 10% for the same periods mentioned above. These carriers experienced growths in deficits because the growth in their expenses outpaced the growth in their revenues. The Chicago & Northwestern's expenses grew 9.1% but its revenue grew only 2.4% and the Metra Electric's expenses grew 9.7% while its revenues grew 8.6%. Ridership remained relatively flat at both carriers.

The largest decreases in subsidy per passenger occurred at the Norfolk Southern, South Shore and NIRC; the decreases were 28.7%, 25.3% and 10.4%, respectively. Revenues for the Norfolk Southern grew 16.5% while expenses grew 6.8% and ridership increased 11.3%. The South Shore results are based on estimates for the first six months and should be viewed with caution.

Metra Summary
June 1989 Year-to-Date

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
<u>Burlington Northern</u>				
Revenues	13,262,787	13,100,124	162,663	1.2%
Expenses	17,990,056	19,545,004	(1,554,948)	-8.0%
Operating Deficit	4,727,269	6,444,880	(1,717,611)	-26.7%
Recovery Ratio*	75.5%	68.4%	7.1	10.3%
<u>Chicago & Northwestern</u>				
Revenues	25,636,342	25,767,810	(131,468)	-0.5%
Expenses	46,557,414	46,006,886	550,528	1.2%
Operating Deficit	20,921,072	20,239,076	681,996	3.4%
Recovery Ratio*	56.1%	57.1%	-1.1	-1.9%
<u>Chicago South Shore</u>				
Revenues	791,249	784,540	6,709	0.9%
Expenses	1,437,261	1,984,517	(547,256)	-27.6%
Operating Deficit	646,012	1,199,977	(553,965)	-46.2%
Recovery Ratio	55.1%	39.5%	15.5	39.3%
<u>Norfolk Southern</u>				
Revenues	1,608,931	1,438,740	170,191	11.8%
Expenses	1,994,627	2,074,363	(79,736)	-3.8%
Operating Deficit	385,696	635,623	(249,927)	-39.3%
Recovery Ratio	80.7%	69.4%	11.3	16.3%
<u>Metra Elec./Her. Corr.**</u>				
Revenues	13,576,951	13,319,123	257,828	1.9%
Expenses	29,158,239	29,427,450	(269,211)	-0.9%
Operating Deficit	15,581,288	16,108,327	(527,039)	-3.3%
Recovery Ratio	46.6%	45.3%	1.3	2.9%
<u>NE Illinois Rail Corp.</u>				
Revenues	24,966,332	21,533,005	3,433,327	15.9%
Expenses	42,780,624	42,530,898	249,726	0.6%
Operating Deficit	17,814,292	20,997,893	(3,183,601)	-15.2%
Recovery Ratio	58.4%	50.6%	7.7	15.3%
<u>Metra Total</u>				
Revenues***	79,842,592	75,943,342	3,899,250	5.1%
Expenses	139,918,221	141,569,118	(1,650,897)	-1.2%
Operating Deficit	60,075,629	65,625,776	(5,550,147)	-8.5%
Recovery Ratio*	57.6%	54.1%	3.4	6.3%

*Funded Depreciation is included in expenses, but excluded in determining the cost recovery ratio.

**These numbers may not be used to calculate ICG savings per Ordinance 87-20.

***Metra revenues do not include \$3.0 million in receipts generated under capital farebox financing.

METRA SYSTEM PERFORMANCE

Metra Second Quarter Actual vs. Budget

Metra Total	Actual	Budget	Variance	%
Revenues				
Passenger	\$71,642,404	\$71,027,180	\$615,224	0.9%
Other	8,200,188	4,916,162	3,284,026	66.8%
Total Revenues	\$79,842,592	\$75,943,342	\$3,899,250	5.1%
5% Capital Fares	\$2,967,961			
Expenses				
Way & Structure	\$22,486,869	\$23,528,365	(\$1,041,496)	-4.4%
Equipment	32,746,636	31,783,257	963,379	3.0%
Transportation	45,996,185	47,129,103	(1,132,918)	-2.4%
General & Administration	12,575,687	12,528,062	47,625	0.4%
Fuel & Power	7,842,008	8,327,480	(485,472)	-5.8%
Central Expenses**	17,147,431	17,165,615	(18,184)	-0.1%
Additional Compensation	1,123,405	1,107,236	16,169	1.5%
Total Expenses	\$139,918,221	\$141,569,118	(\$1,650,897)	-1.2%
Deficit				
Operating Deficit	\$60,075,629	\$65,625,776	(\$5,550,147)	-8.5%
Funded Depreciation*	\$1,234,518	\$1,294,818	(60,300)	-4.7%
Recovery Ratio	57.6%	54.1%	3.4	6.3%

*Funded depreciation is included within expenses, but is subtracted out to determine the cost recovery ratio.

**Includes Substation Maintenance

**Metra Second Quarter
Actual vs. Budget**

Burlington Northern

	Actual	Budget	Variance	%
Revenues				
Passenger	\$13,231,351	\$13,094,844	\$136,507	1.0%
Other	31,436	5,280	26,156	495.4%
Total Revenues	\$13,262,787	\$13,100,124	\$162,663	1.2%
Expenses				
Way & Structure	\$1,627,674	\$2,178,374	(\$550,700)	-25.3%
Equipment	3,285,734	3,572,807	(287,073)	-8.0%
Transportation	6,971,536	7,653,725	(682,189)	-8.9%
General & Administration	1,659,626	1,385,535	274,091	19.8%
Fuel & Power	953,917	952,187	1,730	0.2%
Central Expenses	3,112,707	3,442,268	(329,561)	-9.6%
Additional Compensation	378,862	360,108	18,754	5.2%
Total Expenses	\$17,990,056	\$19,545,004	(\$1,554,948)	-8.0%
Deficit				
Operating Deficit	\$4,727,269	\$6,444,880	(\$1,717,611)	-26.7%
Funded Depreciation*	415,044	393,354	21,690	5.5%
Recovery Ratio	75.5%	68.4%	7.1	10.3%

Chicago and Northwestern

	Actual	Budget	Variance	%
Revenues				
Passenger	\$25,334,793	\$25,422,810	(\$88,017)	-0.3%
Other	301,549	345,000	(43,451)	-12.6%
Total Revenues	\$25,636,342	\$25,767,810	(\$131,468)	-0.5%
Expenses				
Way & Structure	\$9,255,654	\$8,785,995	\$469,659	5.3%
Equipment	11,642,204	10,797,744	844,460	7.8%
Transportation	15,225,934	15,380,506	(154,572)	-1.0%
General & Administration	2,908,959	2,762,458	146,501	5.3%
Fuel & Power	2,305,357	2,582,865	(277,508)	-10.7%
Central Expenses	4,493,763	4,998,190	(504,427)	-10.1%
Additional Compensation	725,543	699,128	26,415	3.8%
Total Expenses	\$46,557,414	\$46,006,886	\$550,528	1.2%
Deficit				
Operating Deficit	\$20,921,072	\$20,239,076	\$681,996	3.4%
Funded Depreciation	819,474	901,464	(81,990)	-9.1%
Recovery Ratio	56.1%	57.1%	-1.1	-1.9%

METRA SYSTEM PERFORMANCE

Metra Second Quarter Actual vs. Budget

Chicago South Shore and South Bend

	Actual	Budget	Variance	%
Revenues				
Passenger	\$791,249	\$784,540	\$6,709	0.9%
Other	0	0	0	
Total Revenues	\$791,249	\$784,540	\$6,709	0.9%
Expenses				
Way & Structure	\$175,776	\$190,528	(\$14,752)	-7.7%
Equipment	216,979	260,406	(43,427)	-16.7%
Transportation	387,506	631,118	(243,612)	-38.6%
General & Administration	326,262	543,820	(217,558)	-40.0%
Fuel & Power	114,371	126,356	(11,985)	-9.5%
Central Expenses**	216,367	232,289	(15,922)	-6.9%
Additional Compensation	0	0	0	
Total Expenses	\$1,437,261	\$1,984,517	(\$547,256)	-27.6%
Deficit				
Operating Deficit	\$646,012	\$1,199,977	(\$553,965)	-46.2%
Funded Depreciation	0	0	0	
Recovery Ratio	55.1%	39.5%	15.5	39.3%

Norfolk Southern

	Actual	Budget	Variance	%
Revenues				
Passenger	\$1,608,931	\$1,438,740	\$170,191	11.8%
Other	0	0	0	
Total Revenues	\$1,608,931	\$1,438,740	\$170,191	11.8%
Expenses				
Way & Structure	\$212,896	\$372,570	(\$159,674)	-42.9%
Equipment	17,799	26,948	(9,149)	-34.0%
Transportation	945,762	779,487	166,275	21.3%
General & Administration	124,557	167,508	(42,951)	-25.6%
Fuel & Power	95,808	84,947	10,861	12.8%
Central Expenses	578,805	594,903	(16,098)	-2.7%
Additional Compensation	19,000	48,000	(29,000)	-60.4%
Total Expenses	\$1,994,627	\$2,074,363	(\$79,736)	-3.8%
Deficit				
Operating Deficit	\$385,696	\$635,623	(\$249,927)	-39.3%
Funded Depreciation	0	0	0	
Recovery Ratio	80.7%	69.4%	11.3	16.3%

**Metra Second Quarter
Actual vs. Budget**

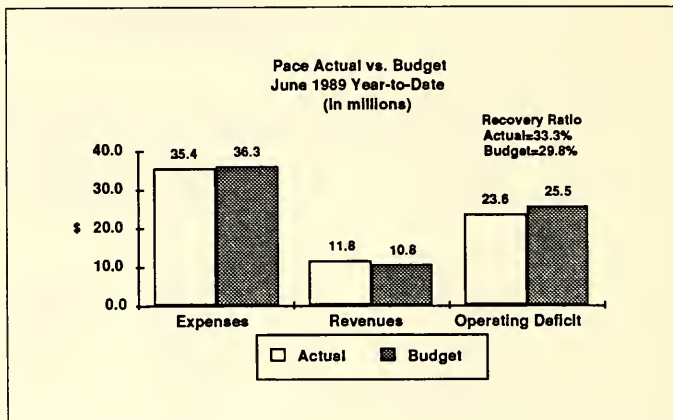
Metra Electric/Heritage Corridor

	Actual	Budget	Variance	%
Revenues				
Passenger	\$12,420,944	\$12,006,439	\$414,505	3.5%
Other	1,156,007	1,312,684	(156,677)	-11.9%
Total Revenues	\$13,576,951	\$13,319,123	\$257,828	1.9%
Expenses				
Way & Structure	\$5,074,528	\$5,684,293	(\$609,765)	-10.7%
Equipment	7,512,810	7,649,883	(137,073)	-1.8%
Transportation	9,247,360	9,404,235	(156,875)	-1.7%
General & Administration	679,282	824,825	(145,543)	-17.6%
Fuel & Power	2,746,788	2,910,711	(163,923)	-5.6%
Central Expenses**	3,897,471	2,953,503	943,968	32.0%
Additional Compensation	0	0	0	
Total Expenses	\$29,158,239	\$29,427,450	(\$269,211)	-0.9%
Deficit				
Operating Deficit	\$15,581,288	\$16,108,327	(\$527,039)	-3.3%
Funded Depreciation	0	0	0	
Recovery Ratio	46.6%	45.3%	1.3	2.9%

Northeast Illinois Rail Corporation

	Actual	Budget	Variance	%
Revenues				
Passenger	18,255,136	\$18,279,807	(\$ 24,671)	-0.1%
Other	6,711,196	3,253,198	\$3,457,998	106.3%
Total Revenues	24,966,332	\$21,533,005	\$3,433,327	15.9%
Expenses				
Way & Structure	6,140,341	\$6,316,605	(\$ 176,264)	-2.8%
Equipment	10,071,110	9,475,469	595,641	6.3%
Transportation	13,218,087	13,280,032	(61,945)	-0.5%
General & Administration	6,877,001	6,843,916	33,085	0.5%
Fuel & Power	1,625,767	1,670,414	(44,647)	-2.7%
Central Expenses	4,848,318	4,944,462	(96,144)	-1.9%
Additional Compensation	0	0	0	
Total Expenses	42,780,624	\$42,530,898	\$249,726	0.6%
Deficit				
Funded Depreciation*	0	0	0	
Operating Deficit	\$ 17,814,292	\$ 20,997,893	(\$3,183,601)	-15.2%
Recovery Ratio	57.6%	50.6%	7.0	13.8%

Budget Review



- *Through June, Pace revenues were \$11.8 million, which is 8.9% favorable to budget.*
- *Pace's expenses through June were \$0.9 million, or 2.4%, favorable to budget.*
- *Pace's operating deficit through June was \$1.8 million.*
- *Pace's recovery ratio through June was 33.3%, compared with the budgeted ratio of 29.8%.*

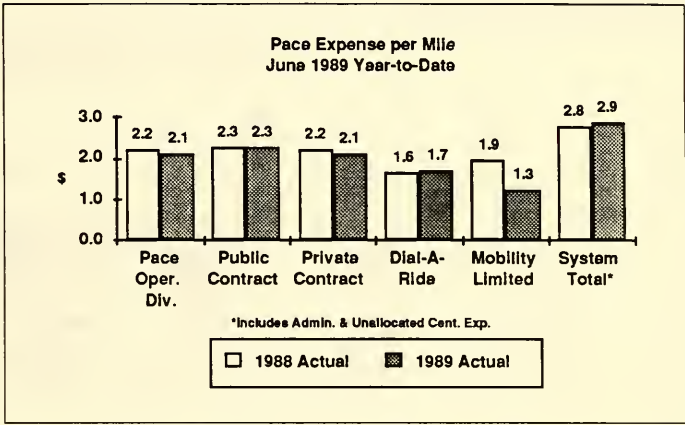
Pace revenues of \$11.8 million through June 1989 were \$1.0 million, or 8.9% favorable to budget. All services, except new initiatives, achieved higher than budget performance. Other income was more than \$0.4 million or 79.0% favorable to budget. Other Income is made up mostly of investment income.

Expenses through June 1989 of \$35.4 million were \$0.9 million, or 2.4%, favorable to the budgeted amount of \$36.3 million. Expenses were favorable to budget for Pace Operating Carriers, Public Contract Carriers, New Initiatives and Administration. New Initiatives were more than 25.0% favorable to budget because paratransit service in the outlying townships is being phased in mostly during the second half of the year.

Pace's recovery ratio for the six months ended June 1989 was 33.3%. This is significantly higher than the budgeted ratio of 29.8% due to the favorable operating deficit.

Through June, Pace's operating deficit was \$1.8 million, or 11.6% favorable to budget.

Resource Efficiency



- *Through June, Pace system expense per mile increased 3.6%, or 10 cents per mile relative to 1988.*
- *The increase can be attributed to increased expenditures for centralized support and administration.*

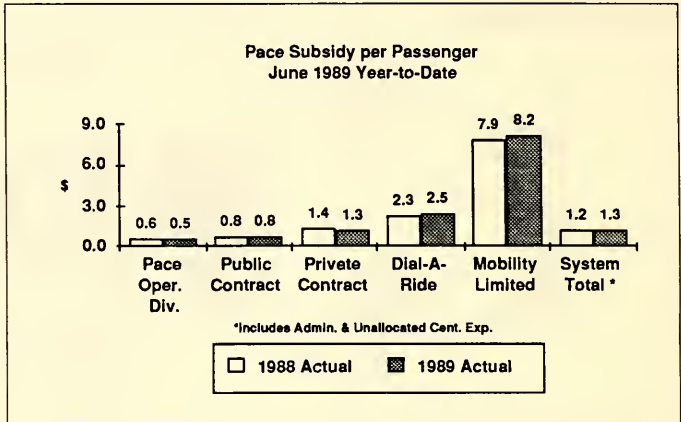
For the Pace system, expense per mile increased 3.6% through June 1989 compared with the same period in 1988. This increase can be attributed to increased spending for administration/centralized support services and maintenance.

Administration/centralized support services increased due to increased spending for consulting services in connection with new initiatives.

PACE SYSTEM PERFORMANCE

Resource Effectiveness

- *The Pace system subsidy per passenger increased 8 cents, or 6.4% to \$1.25 for 1989.*
- *Subsidy per passenger increased relative to 1988 for Public Contract and Dial-A-Ride carriers.*
- *Subsidy per passenger decreased with Private Contract carriers.*



Pace's system subsidy per passenger increased 8 cents to \$1.25 for the six months ended June 1989, an increase of 6.4%, when compared with 1988. Both revenue per passenger and expense per passenger increased on a systemwide basis, however, the rate of increase in expense per passenger outpaced the rate of increase in revenue per passenger resulting in an increase in subsidy per passenger. Revenue per passenger was \$0.60 in 1988 compared with \$0.62 in 1989, a 3% increase, whereas, expense per passenger was \$1.77 in 1988 compared with \$1.87 in 1989, a 5% increase.

The largest increase in subsidy per passenger occurred with Public Contract and Dial-A-Ride carriers. Public Contract carriers subsidy increased 5.3% in 1989 compared with 1988 and Dial-A-Ride's subsidy increased 10.8%. The largest decrease in subsidy per passenger occurred with Private Contract carriers. The subsidy decreased from \$1.39 to \$1.26 per passenger, or 9.1%.

Pace Summary
June 1989 Year-to-Date

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Revenues				
Pace Operating Divisions	\$4,696,859	\$4,282,746	\$414,113	9.7%
Public Contract Carriers	3,353,136	3,180,810	172,326	5.4%
Private Contract Carriers	1,026,542	1,024,500	2,042	0.2%
Dial-A-Ride Services	1,545,873	1,441,677	104,196	7.2%
Mobility Limited Services	127,604	92,469	35,135	38.0%
New Initiatives	53,493	244,554	(191,061)	-78.1%
Other Income	968,300	541,002	427,298	79.0%
Total Revenues	<u>\$11,771,807</u>	<u>\$10,807,758</u>	<u>\$964,049</u>	8.9%
Expenses				
Pace Operating Divisions	\$9,922,065	\$10,458,018	(\$535,953)	-5.1%
Public Contract Carriers	9,299,861	9,432,144	(132,283)	-1.4%
Private Contract Carriers	2,873,483	2,853,882	19,601	0.7%
Dial-A-Ride Services	3,071,974	3,045,750	26,224	0.9%
Mobility Limited Services	274,734	271,116	3,618	1.3%
New Initiatives	598,670	802,554	(203,884)	-25.4%
Administration	3,681,378	3,739,710	(58,332)	-1.6%
Centralized Operations	5,680,864	5,670,228	10,636	0.2%
Total Expenses	<u>\$35,403,029</u>	<u>\$36,273,402</u>	<u>(\$870,373)</u>	-2.4%
Deficit	\$23,631,222	\$25,465,644	(\$1,834,422)	-7.2%
Recovery Ratio	33.3%	29.8%	3.5	11.6%

PACE SYSTEM PERFORMANCE

Pace Actual vs. Budget
June 1989 Year-to-Date

Pace Operating Divisions

	Actual	Budget	Variance	%
Revenues				
Passenger	\$4,696,859	\$4,282,746	\$414,113	9.7%
Other	968,300	541,002	427,298	79.0%
Total Revenues	\$5,665,159	\$4,823,748	\$841,411	17.4%
Expenses				
Operations	\$6,465,635	\$6,651,639	(\$186,004)	-2.8%
Maintenance	5,470,659	5,443,605	\$27,054	0.5%
Administration	7,348,013	7,772,712	(424,699)	-5.5%
Total Expenses (a)	\$19,284,307	\$19,867,956	(\$583,649)	-2.9%
Operating Deficit	\$13,619,148	\$15,044,208	(\$1,425,060)	-9.5%
Recovery Ratio	29.4%	24.3%	5.1	21.0%

Public Contract Carriers

Revenues	\$3,353,136	\$3,180,810	\$172,326	5.4%
Expenses				
Operations	\$5,896,083	\$5,962,296	(\$66,213)	-1.1%
Maintenance	2,342,830	2,499,660	(156,830)	-6.3%
Administration	1,060,948	970,188	90,760	9.4%
Total Expenses (a)	\$9,299,861	\$9,432,144	(\$132,283)	-1.4%
Operating Deficit	\$5,946,725	\$6,251,334	(\$304,609)	-4.9%
Recovery Ratio	36.1%	33.7%	2.3	-4.9%

Private Contract Carriers

Revenues	\$1,026,542	\$1,024,500	\$2,042	0.2%
Expenses (a)	2,873,483	2,853,882	19,601	0.7%
Operating Deficit	\$1,846,941	\$1,829,382	\$17,559	1.0%
Recovery Ratio	35.7%	35.9%	(0.2)	-0.5%

Dial-A-Ride Services

Revenues (b)	\$1,545,873	\$1,441,677	\$104,196	7.2%
Expenses (a)	3,071,974	3,045,750	26,224	0.9%
Operating Deficit	\$1,526,101	\$1,604,073	(\$77,972)	-4.9%
Recovery Ratio	50.3%	47.3%	3.0	6.3%

Mobility Limited Services

Revenues (b)	\$127,604	\$92,469	\$35,135	38.0%
Expenses (a)	274,734	271,116	3,618	1.3%
Operating Deficit	\$147,130	\$178,647	(\$31,517)	-17.6%
Recovery Ratio	46.4%	34.1%	12.3	36.2%

New Initiatives

Revenues	\$53,493	\$244,554	(\$191,061)	-78.1%
Expenses (a)	598,670	802,554	(203,884)	-25.4%
Operating Deficit	\$545,177	\$558,000	(\$12,823)	-2.3%
Recovery Ratio	8.9%	30.5%	(21.5)	-70.7%

System Total

Revenues				
Passenger	\$10,803,507	\$10,266,756	\$536,751	5.2%
Other	968,300	541,002	427,298	79.0%
Total Revenues	\$11,771,807	\$10,807,758	\$964,049	8.9%
Expenses				
Operations	\$19,180,579	\$19,587,237	(\$406,658)	-2.1%
Maintenance	7,813,489	7,943,265	(129,776)	-1.6%
Administration	8,408,961	8,742,900	(333,939)	-3.8%
Total Expenses	\$35,403,029	\$36,273,402	(\$870,373)	-2.4%
Operating Deficit	\$23,631,222	\$25,465,644	(\$1,834,422)	-7.2%
Recovery Ratio	33.3%	29.8%	3.5	11.6%

(a) does not include distribution of centralized expenses

(b) includes local share

SPECIAL REPORTING

Special reporting called for in the 1989 budget include the Oak Brook service and the Outlying Townships Paratransit Service.

Oak Brook Demonstration

The service consists of three elements: the The Oak Brook circulator system, commuter links with nearby Metra Stations and subscription service with Oak Brook area employers. The rail link component was implemented in early 1988 and the circulator component started in the latter part of 1988. Subscription service was implemented on a temporary basis in December, 1988.

The Oak Brook initiative has a 1989 budget of \$1.2 million. Through June, spending on this initiative was 26% favorable to the budget at \$0.6 million compared with the budgeted amount through June of \$0.8 million. The initiative has fallen short of the six month benchmark requirement and its continuation through June 1990 is contingent upon the successful restructuring of the services.

Outlying Township Service

Through June, no expenses have been incurred for Outlying Township services. The service is projected to be implemented during the second half of the year. The 1989 budget for this service consists of revenues of \$124,000 and expenses of \$400,000.

